



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

December 29, 2009

Lidia Marmolejo, Training Manager
Ross Dress for Less, Inc.
3404 Indian Ave.
Perris CA 92571

Dear Ms. Marmolejo:

RE: FINAL MONITORING VISIT REPORT for Ross Dress for Less, Inc. – ET08-0304

Date of the Visit:	11/4/09
Beginning/Ending Time:	1:00 p.m. – 3:00 p.m.
Date of Last Visit:	7/21/09
Visit Location:	Perris
Persons in attendance:	Lidia Marmolejo, Training Manager, Ross DFL; Laura Pimental, Training Administrator, Ross DFL; Raquel Meza, Training Administrator, Ross DFL; Manami Heider, Ernst & Young; Joe Davey, Contract Analyst, ETP
Action Required:	Yes

CONTRACT INFORMATION:

Term of Agreement:	12/31/07 – 12/30/09	Agreement Amount:	\$500,760
Training Start Date:	1/7/08	No. to Retain:	867
Date Training must be Completed:	9/30/09	Range of Hours:	24 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	40, 22

There were no action-items to report during this visit.

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SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

FINAL REPORT SUMMARY:

• HISTORY OF AGREEMENT CHANGES

The Agreement was executed on 1/21/08 and training began on 1/7/08. Your staff reported that all training was completed on 9/30/09, which allows for the 90-day retention period to be completed within the term ending date of the Agreement – 12/30/09.

ETP approved one Agreement Amendment and five Agreement Modifications summarized below:

<i>Rev. No.:</i>	<i>Effective Date:</i>	<i>Summary of the Change:</i>
Mod. 1	2/26/08	Added Curriculum topics to Continuous Improvement module
Mod. 2	3/5/09	Added Curriculum topics to Computer Skills module
Mod. 3	3/8/09	Added VESL to Curriculum
Amnd. 4	6/26/09	Extended the term date an additional 14 days
Tech Corr 5	5/4/09	Revised minimum hrs. for Job 2; added Literacy Skills to Chart 1
Mod. 6	5/15/09	Added Curriculum topics to Computer Skills module

None of the Modifications or Amendments changed the Agreement amount.

• INTERVIEW WITH Lidia Marmolejo, Training Manager

For this second ETP Agreement, Ms. Marmolejo reported that the major barrier to Ross's less-than-expected performance was the downturn in the economy in 2008. She reported that there were no layoffs during the term of the Agreement, but Ross did not hire any new staff as originally planned.

The planned expansion and hiring for the nearby Moreno Valley facility was delayed for six months, which further affected the training performance. In addition, Ms. Marmolejo reported that Ross was unable to provide more training for employees who showed good leadership qualities because most did not have adequate English speaking skills to take advantage of the Management Skills training.

Ms. Marmolejo reported that there were no issues in meeting ETP's record keeping requirements due to the assistance of Ernst & Young and the experience gained during the first ETP project. She also reported that ETP provided adequate assistance when needed.

Ms. Marmolejo reported that training was beneficial for some trainees by giving them additional skills to advance in their current position and preparing them for future advancement within the company. However, in light of the 2008 economic downturn, it is difficult to determine any overall company benefits.

Ms. Heider provided Mr. Davey with projected statistics for the closeout of the Agreement. According to your records at the time of this final meeting, you expected to retain a total of 180 (21% percent of planned retentions) trainees for a total reimbursement of \$116,250, (23 % of the encumbered amount). Ms. Heider stated that the closeout invoice will be submitted no later than 1/30/10.

Ross DFL's records show that 190 trainees have completed training (22% of planned retentions) and 0 trainees have completed the 90 day retention period (0% of planned retentions). Current records show that Ross DFL has received \$0 in progress payments. Mr. Davey reminded Ms. Marmolejo that the closeout invoice should be submitted no later than 30 days after the end term date of the Agreement (1/30/10).

As of the date of this report, no invoices for payment have been submitted. The following table shows performance statistics for Job 1 trainees who are eligible for full reimbursement should all terms of the Agreement be met:

	Job 1:	Job 2:
No. Trainee(s) completed the minimum required hours is:	189	1
No. Trainee(s) completed the maximum hours allowable is:	0	0
Total recorded Class/Lab hours are:	7,893	24
Total recorded eligible Class/lab hours (for trainees @ 24 min. hours) are:	7,893	24
Total amount eligible to earn:	\$118,395	\$192
Grand total amount eligible to earn:	\$118,587	

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Job Number	Average Number To Retain	Number Started Training (Tracked)	Number Enrolled in Training	Number of Trainees Dropped (following enrollment)	Number of Trainees Completed Minimum Hours	Number of Trainees Completed all Training (in Reten.)	Number of Trainees Completed Retention
1	795	708	1,457	526	189	189	0
2	72	72	123	122	1	1	0
Totals:	867	778	1,580	648	190	190	0

Statistics above are current as of the date of the report.

ATTENDANCE ROSTERS:

Mr. Davey reviewed class/lab attendance rosters for 2 Job 1 trainees for training completed between 4/21/08 and 9/18/09 conducted at both the Moreno Valley and the Perris Distribution Centers. Each of these trainees completed the minimum 24 training hours and are projected to complete the 90-day retention period. Mr. Davey reviewed approximately 30 rosters and his review verified that the information on the class/lab rosters agrees with the number of hours reported in online class/lab tracking system. His review also validated that the information on the class/lab rosters contains all the information required as specified in Title 22, California Code of Regulations, Section 4442, Record Keeping.

Mr. Davey also reviewed the CBT roster for the one Job 2 trainee who completed the minimum 24 hours of CBT to be eligible for full reimbursement. His review validated that the information on the CBT roster contains all the information required as specified in Title 22, California Code of Regulations, Section 4442(c), Record Keeping. In addition, Ms. Heider provided Mr. Davey with a print-out of all the CBT courses the trainee took. The information on the print-out contains all the information necessary as specified in Title 22, California Code of Regulations, Section 4442(c), Record Keeping.

AUDIT:

Ross DFL will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

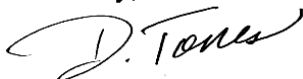
- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Joe Davey at (619) 686-1919 or at JDavey@etp.ca.gov, within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager

San Diego Regional Office



Joe Davey, Contract Analyst
San Diego Field Office

cc: Manami Heider, Ernst & Young

Kulbir Mayall, Manager, Fiscal Unit
Master File
Project File
Final Report File

Date report mailed to Contractor January 4, 2010